

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1232

Introduced by Senator Leno

February 18, 2016

An act to add Section ~~18901.15~~ *11023* to the Welfare and Institutions Code, relating to ~~CalFresh~~ *public social services*.

LEGISLATIVE COUNSEL'S DIGEST

SB 1232, as amended, Leno. *CalWORKs and CalFresh: eligibility determinations.*

Existing federal law provides for the allocation of federal funds through the federal Temporary Assistance for Needy Families (TANF) block grant program to eligible states. Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which, through a combination of state and county funds and federal funds received through the TANF program, each county provides cash assistance and other benefits to qualified low-income families.

Existing federal law provides for the federal Supplemental Nutrition Assistance Program, under which nutrition assistance benefits are allocated to each state by the federal government. Under existing state law, the CalFresh program, California's federal allocation is distributed to eligible individuals by each county. Existing law requires that the eligibility of households be determined to the extent permitted by federal law, and requires the State Department of Social Services to establish a program of categorical eligibility for CalFresh in accordance with federal law. Existing law requires each county human services agency to carry out the local administrative responsibilities of this program,

subject to the supervision of the department and to rules and regulations adopted by the department.

This bill would require a county human services agency that ~~uses~~ *elects to use* information contained in a consumer credit report for the determination of *CalWORKs* or CalFresh eligibility or benefit level to *obtain written authorization from the applicant or recipient prior to obtaining the credit report and to* provide the applicant or recipient of benefits with a specified notice indicating that the verification or eligibility determination was based, in whole or in part, upon the information contained in the consumer credit report. ~~By imposing this duty on counties, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~yes~~-no.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature to support an
- 2 increase in CalFresh benefits for low-income working families by
- 3 simplifying and adding transparency to the verification of wages.
- 4 It is also the intent of the Legislature to educate applicants and
- 5 recipients of aid of their federal rights to receive a free report and
- 6 to correct errors in a report issued by federally regulated consumer
- 7 reporting agencies when the services of those agencies are used
- 8 by the state or county to determine CalFresh *or CalWORKs*
- 9 eligibility or benefit level.
- 10 SEC. 2. Section ~~18901.15~~ *11023* is added to the Welfare and
- 11 Institutions Code, immediately following Section ~~18901.1~~, to read:
- 12 ~~18901.15.~~
- 13 *11023.* (a) If a county human services agency ~~uses~~ *elects to*
- 14 *use* information contained in a consumer credit report for the
- 15 determination of CalFresh *or CalWORKs* eligibility or benefit
- 16 level, the county shall ~~provide the applicant or recipient of benefits~~
- 17 ~~with the notice required by Section 615 of the federal Fair Credit~~

1 ~~Reporting Act (15 U.S.C. Sec. 1681m), indicating that the~~
2 ~~verification or eligibility determination was based, in whole or in~~
3 ~~part, upon the information contained in the consumer credit report.~~
4 ~~The county shall also do both~~ *do all* of the following:

5 (1) ~~Issue the notice before taking any adverse action against the~~
6 ~~applicant or recipient.~~

7 (1) *Obtain written authorization from an applicant or recipient*
8 *prior to obtaining the credit report.*

9 (2) *Provide the applicant or recipient with the notice required*
10 *by Section 615 of the federal Fair Credit Reporting Act (15 U.S.C.*
11 *Sec. 1681m), indicating that the verification or eligibility*
12 *determination was based, in whole or in part, upon the information*
13 *contained in the consumer credit report.*

14 ~~(2)~~

15 (3) *Issue the notice required by paragraph (2) in writing and*
16 *in accordance with the standards established in federal law.*

17 (4) *Issue the notice required by paragraph (2) before taking*
18 *any adverse action against the applicant or recipient.*

19 (5) *Make the information available to an applicant or recipient*
20 *who requests a copy of his or her case file or appeals a negative*
21 *action based in whole or in part on information the county obtained*
22 *from the consumer credit report.*

23 (b) *The written authorization and notice required by this section*
24 *may be provided by electronic means.*

25 ~~(b) The~~

26 (c) *If the county human services agency elects to use information*
27 *contained in a consumer credit report for the determination of*
28 *benefit level, the county shall not require the applicant or recipient*
29 *to submit hard-copy documentation that is duplicative of the*
30 *information described in subdivision (a) at the time of application,*
31 *midyear reporting, or recertification; it will verify using the credit*
32 *report.*

33 ~~(e)~~

34 (d) *Nothing in this section precludes the use of other forms of*
35 *verification or prohibits the county from requesting additional*
36 *documentation when the county establishes, in writing, that the*
37 *information it has already received is questionable.*

38 ~~SEC. 3. If the Commission on State Mandates determines that~~
39 ~~this act contains costs mandated by the state, reimbursement to~~
40 ~~local agencies and school districts for those costs shall be made~~

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

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